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A Guide to PROCEDURES Relating to MARKETING SERVICE PROGRAMS



Conducted under the
Agricultural Marketing
Act of 1946

For administrative use of
State and Federal agricultural officials

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Service
Washington 25, D. C.

July 1957

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DEPARTMENT OF AGRICULTURE
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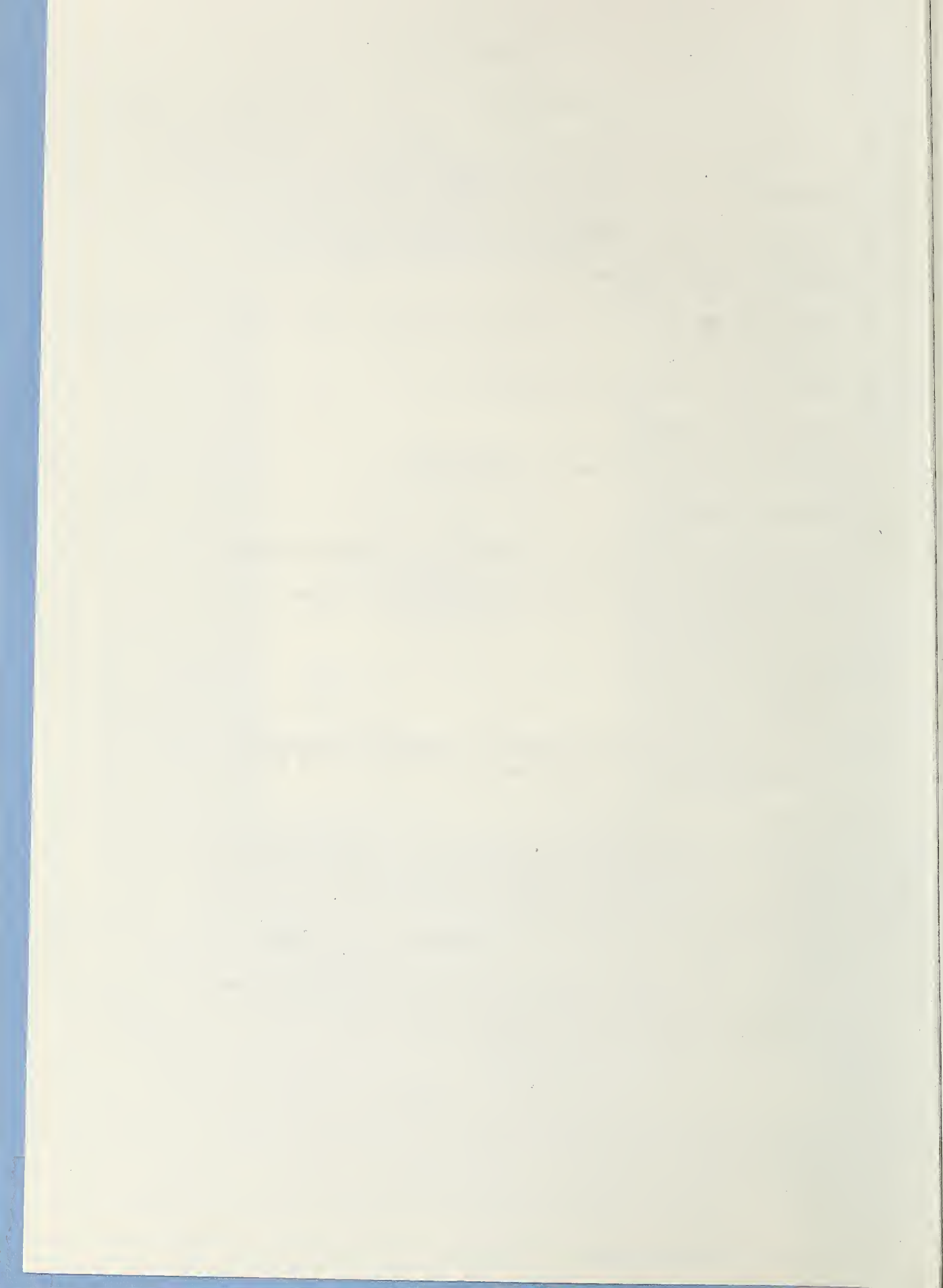


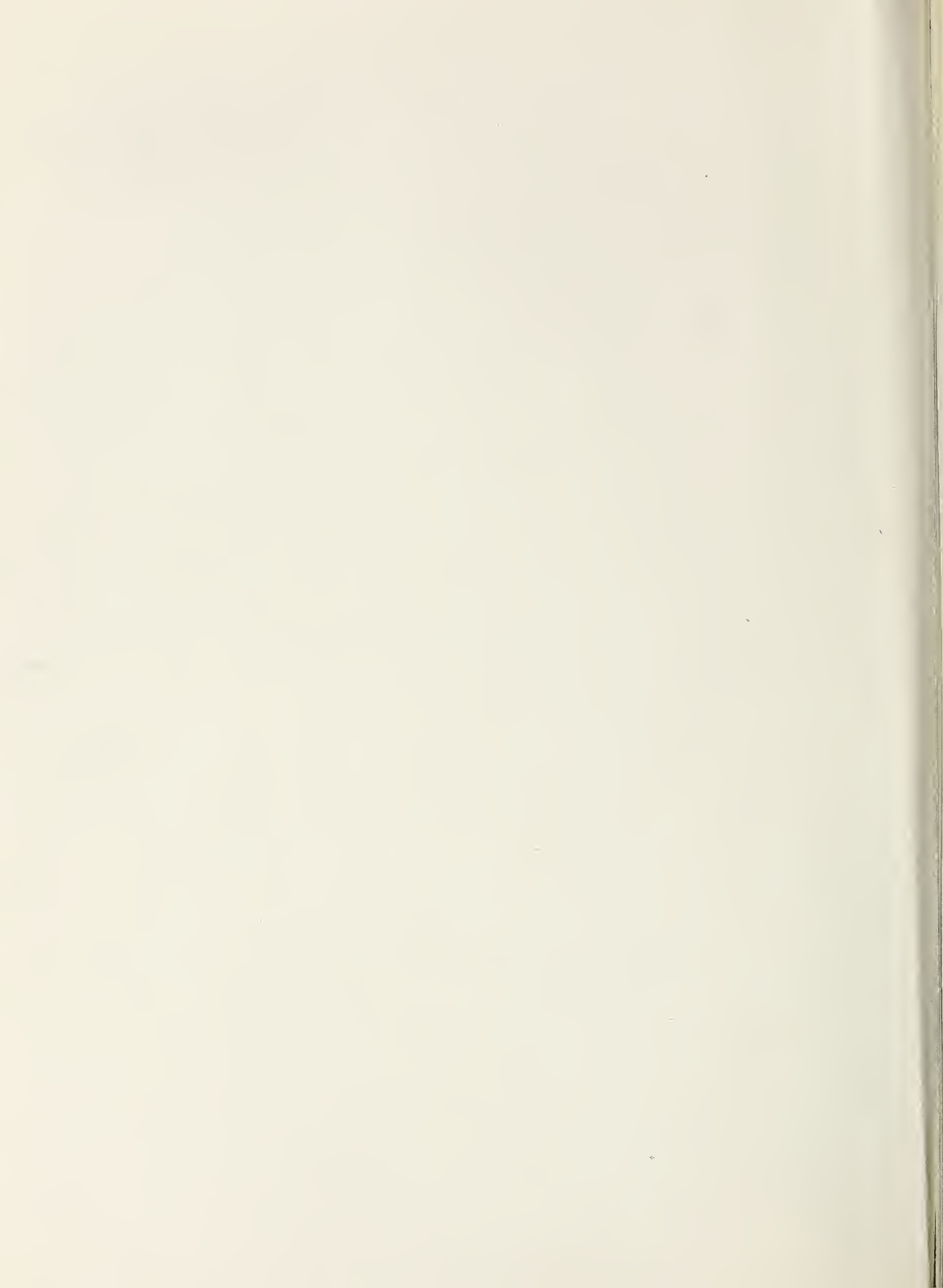
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In preparing this form for submittal in connection with continuing projects, the first operation should be to determine the amount of Federal and State funds which were available for the project for the current fiscal year and record these amounts under item 4. Available funds consist of carry-over into the current fiscal year plus the new funds available for that year. The next step is to record under item 5 the estimated expenditures (Federal and State combined) during the current fiscal year. From the information in items 4 and 5 the estimate of carryover of funds (Federal and State separately) at the end of the current fiscal year can be made and recorded in item 6. If the State funds cannot be carried over into the new year, but revert to the State treasury, this fact should be shown in item 6(b). The proposed budget for the coming year is recorded in the second column of item 5. In item 7 the new funds required are shown separately for Federal and State, and in item 8 any unusual or large items of cost, such as travel or equipment, included in the budget for the next fiscal year are explained. Five signed copies of Form AMS-712 are required.

Form AMS-714, Certification of Availability of Matched Funds Under Agricultural Marketing Act (Exhibit D), must be signed by the State official authorized to approve the obligation and expenditure of State department of agriculture funds. Such certification guarantees the availability of State funds to match Agricultural Marketing Act funds, in accordance with the provisions of the Agricultural Marketing Act and must be filed with the Liaison Office before funds can be transferred to the State for use in carrying out approved projects. Only one "Certificate of Availability" is required to cover all projects in operation during any one fiscal year. It will expedite the process of making funds available to the State if the Certificate of Availability is executed and submitted with Form AMS-710 and Form AMS-712 when States enter the program for the first time. The Certificate of Availability should be forwarded with Form AMS-712 for continuing approved projects in an amount equal to the total of Federal funds carried over which are not offset by the carryover of State funds plus the new Federal funds requested. If a new project is submitted, or the budget for existing projects is increased, during a fiscal year a revised Certificate of Availability is required to cover the amount previously certified plus the additional funds requested. Three signed copies of this form are required.

The signing of the Cooperative Agreement and submittal of the required number of copies of Forms AMS-710, 712, and 714 complete the actions necessary to initiate a project. Just prior to the beginning of each subsequent fiscal year during which work on a project is to continue new copies of Forms AMS-712 and 714 must be submitted. As soon as possible after these forms are received in the Liaison Office the State will be notified as to its allotment of Federal funds.

VI. CLASSIFYING STATE PROGRAM PROJECTS

The Agricultural Marketing Act of 1946 authorizes Federal assistance in the conduct of marketing service work by State departments of agriculture by matching funds for projects submitted by the States and approved by the U. S. Department of Agriculture. Under this program any State may submit any number of projects. However, the projects currently being carried on fall into four general fields, and State program projects insofar as possible should be so written that each project can be placed in one of the following categories:

A. Maintaining or Improving the Quality of Agricultural Products in Marketing Channels

Program projects will be classified in this field when their purpose is to show persons or firms engaged in marketing how to maintain or improve the quality of the products they handle so that deterioration and spoilage may be reduced and products placed before consumers in the best condition. It embraces such activities as (a) checking products at various stages in the marketing channel to determine off-quality, ascertaining the cause of the loss of quality, and showing the persons concerned what steps should be taken to correct the condition; (b) showing farmers and marketing agencies how to determine the proper maturity of products for harvesting; (c) demonstrating proper methods of picking, grading, packing, and handling products in order to protect quality and separate products into quality groups; (d) establishing criteria for placing products in quality groups for State label programs or for other purposes; (e) developing techniques and procedures for certifying disease-free nursery stock; (f) giving assistance on methods of preventing deterioration of products in storage; (g) determining and showing marketing firms what containers will best protect quality; and (h) any other service activities the chief purpose of which is to maintain quality.

B. Expanding Outlets for Farm Products

Projects the chief purpose of which is to expand outlets for farm products will be placed in this group. This includes (a) special efforts to move seasonal surpluses into consumption; (b) determining and reporting to farmers and marketing agencies the variety, size, type of package, and merchandising method preferred by consumers, trade agencies, and markets; (c) the conduct of sales promotional programs; (d) preparation and issuance of buyers' guides and other activities to bring buyers to sources of supply; and (e) assisting in determining where and how additional outlets can be established.

C. Assisting Marketing Agencies in Reducing Costs and Improving Efficiency

The projects placed in this field are those designed to show marketing agencies how to reduce their costs and improve their efficiency through such means as (a) helping such agencies determine the proper size, type, location, and layout for all types of processing and marketing facilities; (b) showing them how to select, install and use the kinds of handling methods and equipment best suited to their needs; (c) assisting them in improving the efficiency of processing methods and techniques; and (d) showing them more efficient ways of performing various marketing operations such as packaging, storing, loading, transporting, wholesaling, and retailing.

D. Collecting and Disseminating Marketing Information

Program projects placed in this category include those the purpose of which is the collection, tabulation, and dissemination of statistical and other marketing information such as (a) acreage, yield, number and age of trees, variety, production, and storage holdings for a State or subdivisions of a State; (b) determining objective methods of forecasting production and marketings; (c) special information on a State or local basis on maturity, probable dates of harvest, quality, market movements, trends, etc.; and (d) experimental market news services for local markets or a group of local markets. The activities included in (a) and (b) should be closely coordinated with the work of the Federal-State Statistician and those in (d) with the Federal-State market news services, but in neither case are they to duplicate the work of these other services.

VII. DURATION OF PROJECTS

The nature of the marketing service activity to be carried on by State departments of agriculture under a matched fund project would determine the number of years the project is expected to be conducted. A tree count or an experimental market news service should be completed in about two years. Projects in the fields of quality improvement, expanding market outlets and improving efficiency may continue over a longer period of years. However, when funds are requested for each fiscal year, a complete outline of the work to be undertaken during the year on each project is required. This plan of work will be attached to the approved project on file in Washington, and thereby become a part of the project description. It is important to revise project statements when activities to be undertaken are not adequately covered in the original statement.

VIII. ELIGIBILITY OF STATE FUNDS FOR MATCHING

To qualify for offset under the Agricultural Marketing Act of 1946, State funds must be comprised of money over and above the amount available to a State for marketing service work for the fiscal period within which the Agricultural Marketing Act became law; namely, August 14, 1946. It is the opinion of the General Counsel of the U. S. Department of Agriculture that "The word 'available' as used in the Act need not be construed in the strict legal sense that any moneys which might legally be expended for a certain purpose are available for that purpose. For example, where funds might have been available to a State for expenditures for several purposes, including marketing work, but have in fact been used for some purpose other than marketing work, it would appear that those funds could be used for matching purposes." In other words, for Title II purposes it is believed that a reasonable test is whether the funds were actually budgeted or programmed for marketing work in 1946 rather than whether they technically were available for such budgeting expenditure at the time the Act was passed. The source of funds to be used for offset by a State is not significant so long as they are under the control of the department of agriculture, or other appropriate agency, of that State. Funds made available to the State agency by farm organizations, trade associations, or other sources would therefore be eligible for matching the Federal allotment.

IX. REPORTS REQUIRED

Two reports are required on each project after the close of a fiscal year. One of these is a financial report. The other is a report of work done and its accomplishments.

Financial Report

As soon as possible after the books for a fiscal year have been closed, Form AMS-711, Final Financial Report and Budget Request (Exhibit E) should be filled out and five copies (3 signed and 2 unsigned) sent to the Liaison Office. This is the report that shows the amounts of State and Federal funds that actually were expended on each project for the year. On this form in item 4 the total funds available (carryover from the preceding year plus new funds) for the year are shown separately for State and Federal. In item 5 the actual expenditures of State and Federal funds are shown separately, and in item 6 the amounts of State and Federal funds carried over at the end of the year are shown. Both the amount of State funds available and the amount expended on each project should be at least equal to the amount of Federal funds available and expended. This form also provides space for the operating budget for the current year, which may or may not be the same as the amount shown on Form AMS-712 when the funds were requested prior to the beginning of the year.

Form AMS-711 also is the form to use in submitting for approval a revised budget for a project during a fiscal year. Where such revisions involve transfers of funds from one project to another, the form should bear the appropriate statements indicating the amounts transferred and the projects concerned.

Progress Report

Once each year a progress report should be prepared for each project. It should cover the work done during the period from October 1 through September 30. Two copies of this report should be sent to the Liaison Office as soon as possible after September 30. It is of utmost importance that these reports contain specific information on the following points:

1. What was the problem which the project was intended to solve?
2. What was done?
3. What methods or procedures were used?
4. What was accomplished?
5. What public or private agencies cooperated in the work?

These progress reports are used for several purposes. First, they help the personnel of the Liaison Office evaluate the work done in each State and determine the extent to which further Federal support for the work is justified. Second, the accomplishments described in these reports are used to justify the appropriation of funds for the program for the following year. Third, representatives of the Liaison Office who report for the States to the advisory committees reviewing the program prepare their reports from these progress reports. Finally, abstracts of these reports are used to prepare material for the annual report that is published and sent to the States each year so that each State may know what every other State is doing on each project in the matching fund program.

These progress reports submitted by a State, if properly prepared, are also an excellent source of material for use by the State in disseminating information about its program and justifying its budget requests before the State legislature.

X. RESTRICTIONS ON EXPENDITURES FROM MATCHING FUND ACCOUNTS

At the inception of the matching fund program, it was administratively determined that these funds should not be used to carry on regular market news, statistical, grading, inspection and regulatory services of the State departments of agriculture, because such activities are financed from other appropriations. The Agricultural Marketing Act states "That no money appropriated under

the authority of this Act shall be used to pay for newspaper or periodical advertising space or radio time in carrying out the purposes of this Section and Section 203 (e)." Hence, expenditures for advertising space and for radio or television time are not permitted.

The expansion of matched fund programs by several States in recent years in the field of expanding outlets for agricultural products has made it necessary to review the kinds of promotional expenditures that should be permitted from matching funds. To aid in the establishment of a policy the subject was discussed with the Advisory Committee representing the States. The following recommendations of this committee have been approved by the Executive Committee of the National Association of Commissioners, Secretaries and Directors of Agriculture and by the Administrator of the Agricultural Marketing Service as a guide to be used, beginning July 1, 1957, in determining expenditures that are and are not proper uses of matching funds for expanding outlets:

1. Since the Act prohibits the use of funds to pay for newspaper or periodical space and radio and television time, these payments cannot be made either directly or indirectly, such as to the advertising media or through another firm such as an advertising agency.
2. While the Act does not prohibit payments to an advertising agency for materials or services used by a State agency in its matched fund program, any invoices from an advertising agency should show clearly the nature of the expenditure in order to be able to refute any charge that the matched funds were used indirectly to pay for advertising space or time.
3. Matched funds should not be used to purchase products or samples of products to give away to the public. If products are used for this purpose they should be provided by industry or paid for with other funds.
4. The purchase of incidental quantities of products for use in special demonstrations or exhibits by State department of agriculture employees when such demonstrations or exhibits are a part of an approved project is permissible.
5. Matched funds should not be used to purchase point-of-sale materials such as signs, streamers, exhibit cards, automobile stickers, table tents, etc.
6. Payments from the matched fund account are permitted for the cost of making signs and exhibits, for materials needed in a demonstration to expand outlets for products, and for photographs of the exhibit to use in publications or other activities connected with the program.

7. Matched funds should not be used to purchase sales materials, promotional kits, or other promotional gimmicks from trade associations to give away to the public. If such materials are used in connection with a program, they should be supplied by the trade association or paid for with other funds.
8. No payments to trade associations from the matched fund account are permitted (except the registration fee for department employees attending a trade association meeting), including sharing the cost of trade association publications.
9. The printing of publications of State departments of agriculture aimed at providing information on supplies, prices, grades, proper methods of handling, and uses of products, and used for promoting sales of products for which a program for expanding market outlets is being conducted is a proper expenditure. However, the cost of printing recipe books for use in connection with special promotion programs such as pork, cherries, and cheese is not a permissible charge. This type of expenditure is one which the State agency should encourage industry to make because available matching funds are too limited to permit their use for expenditures of this type.
10. There is no objection to an activity in which employees of a State department of agriculture, paid from the matched fund account, hand out samples of a product, advertising materials, or promotional booklets when the item being distributed is paid for by some other agency or with other funds, if such are handed out in connection with a promotional campaign conducted under an approved project.
11. It is proper to use matched funds to pay the expenses of writing a script and for the salary and travel expenses involved in the appearance of State department of agriculture employees on television or radio programs so long as matched funds are not used to pay for the time of the broadcast.
12. Travel expenses, telephone calls, and similar items of expense of employees of the State department of agriculture who are assigned to a project on expanding outlets are proper charges against the matched fund account. Travel and other incidental expenses of technical personnel outside the State department of agriculture who are cooperating in a project may also be paid except that no such payments can be made to persons employed by public relations or advertising agencies.
13. Any proposed large expenditure (except for salaries) for promotional activities should be explained in the "State Work Plan and Fund Request" which is submitted at the beginning of each year when Federal funds are requested for each project. This arrangement will permit review of questionable expenditures before they are made.

XI. USE OF MATCHED FUNDS TO PAY FOR INSURANCE AND STATE RETIREMENT PROGRAMS

In the States that have retirement systems for their employees, matched funds may be used to pay employer contributions provided the amount the State contributes is shown in the financial statements furnished to Agricultural Marketing Service.

The General Counsel of the U. S. Department of Agriculture has ruled that while matched funds may be used to pay the employer contributions for State employees to State group health, accident and life insurance, they may not be used to pay employer contributions to such State health, accident and life insurance programs for a Federal-State Government employee who is eligible to participate in the State insurance program. The General Counsel has ruled "that no portion of Federal funds may be used to provide for the payment of the Commonwealth's contribution for an employee eligible to participate in the State insurance program if the employee is eligible to participate in the Federal Group Life Insurance Program."

XII. FINANCIAL ACCOUNTING

The Cooperative Agreement specifies that the State department of agriculture or other appropriate State agencies will furnish such records or reports as shall include adequate information that State funds have been expended in accordance with the terms specified in the approved projects, and will be accountable for all Federal funds made available under terms of the agreement.

The amount of the Certificate of Availability of State funds is required to be in an amount at least equal to the amount of Federal funds advanced to each State for the program during a fiscal year. In addition, when unexpended State funds revert to the State Treasury at the end of a fiscal year, it is required that the Certificate of Availability be in an amount equal to the sum of the Federal funds carried over at the end of a fiscal year and the new Federal funds allotted for each fiscal year for the projects underway in the State.

Both the available State funds and the expenditures for each project for each fiscal year must be equal to or greater than Federal funds available and expended for each project for each fiscal year.

Expenditures of both State and Federal funds for each project must be in compliance with the provisions of the Agricultural Marketing Act of 1946, and the administrative policies of the U. S. Department of Agriculture.

It is necessary for each State to keep its records of expenditures for its matching fund projects separate from the expenditures made for other operations. Furthermore, separate accounts shall be kept for each project and each voucher given a code or symbol to identify the project to which an expenditure is charged. When State regulations permit, accounting is simplified by placing State and Federal funds for a project in a single account. If equal amounts are placed in such an account, all expenditures charged to the account are automatically paid one-half from State funds and one-half from Federal, and the balance in the account at any time is half State and half Federal. If State regulations require separate State and Federal accounts for each project, there is no objection to such a procedure.

The financial data on matching fund expenditures submitted to the Liaison Office on Form AMS-711 must be reconciled with the matching fund accounting records maintained by the State. The Agricultural Marketing Service has the responsibility for auditing expenditures of funds made available under the Agricultural Marketing Act of 1946. Hence, audits will be made periodically of each matching fund project from the beginning of the project or the date of the last audit to the end of the last complete fiscal year.

Representatives of the Liaison Office who periodically visit each cooperating State will review the financial records for the projects to see whether the expenditures submitted for matching are eligible for matching under the Agricultural Marketing Act of 1946 and the administrative regulations of the Agricultural Marketing Service. Transfer of funds from one project to another is permitted providing prior approval of the transfer has been obtained from the Liaison Office. The procedure for obtaining approval is explained in paragraph 3 of Section IX.

XIII. ADVISORY COMMITTEES

To assist in guiding the matching fund marketing service program several advisory committees are used. One of these committees deals solely with this program. Others review the work done on this program along with the research and extension work done by the U. S. Department of Agriculture and the States.

The Advisory Committee on Cooperative Work under the Agricultural Marketing Act with State Departments of Agriculture consists entirely of representatives of State departments of agriculture. It currently consists of five members, and meets one or more times each year to review the program and suggest modifications.

Once each year the work in the States is presented by a representative of the Liaison Office to about 15 commodity and functional committees appointed by the Secretary of Agriculture. These committees usually consist of eleven members representing farm groups, marketing agencies, and a representative

of the States. The latter is usually chosen from the State department of agriculture or the land grant college. Membership on these committees is widely distributed geographically. Each committee reviews the work the States are doing in its field, and makes recommendations for modifications of existing work, initiation of new work, and priorities of importance. Copies of the recommendations of these committees are sent by the Liaison Office in the spring of each year to each State department of agriculture to assist it in its program planning for the succeeding year. The names and addresses of all members of these committees have been sent to the States, and it would be helpful if representatives of State departments of agriculture would discuss their programs and plans with these members.

XIV. RELATIONSHIPS AMONG STATE AGENCIES CONDUCTING MARKETING PROGRAMS UNDER THE AGRICULTURAL MARKETING ACT OF 1946

It is important to develop a coordinated marketing program in the States. To this end three conferences of the advisory committees representing the State Departments of Agriculture, the Agricultural Experiment Stations, and the Extension Service have been held since the passage of the Agricultural Marketing Act of 1946. The recommended procedures for achieving coordination of the marketing programs conducted by the various State agencies are set forth in Exhibit F.

These State agencies are urged to hold joint meetings periodically to plan their marketing activities in order that attention may be given to the most important marketing problems; that research, education, and service activities may be coordinated and support each other; and that duplication of efforts may be avoided. On specific activities these agencies may also find it advisable to develop and conduct their marketing work in consultation with representatives of industry in their State.

APPENDIX

COOPERATIVE AGREEMENT
BETWEEN
AGRICULTURAL MARKETING SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE
AND _____
OF THE STATE OF _____
HEREINAFTER CALLED STATE AGENCY

NAME OF PROJECT..... Federal-State cooperation in marketing service.

LEADERS..... Administrator, Agricultural Marketing Service,
United States Department of Agriculture, and
_____.

LOCATION..... (City)_____, (State)_____,
and other points within the State as may be mutually
agreed upon.

HEADQUARTERS..... Washington, D. C., and (City)_____
(State)_____.

DATE EFFECTIVE..... _____.

LEGAL AUTHORITY..... Agricultural Marketing Act of 1946, Section 204 (b);
U. S. Department of Agriculture Appropriation Act;
and the applicable laws of the State of _____.

PURPOSE..... To provide for cooperation between the Federal and
State agencies covering marketing service pursuant
to the Agricultural Marketing Act of 1946. All projects
undertaken shall become a part of this agreement and
subject to the terms thereof.

ORGANIZATION..... The organization for carrying on the work under this
agreement and subsequent project statements shall
consist of the leaders designated in this agreement
and their authorized representatives.

METHOD OF PROCEDURE.. (a) All projects shall be covered by appropriate
Agricultural Market- project statements which shall be approved by the
ing Service Administrator of the Agricultural Marketing Service,
or his authorized representative.

(b) The Agricultural Marketing Service will make
available to the State agency an allotment of Federal
funds to effectuate the purposes of an approved project,
but no such allotment and no payment under any such
allotment shall be made for any fiscal year in excess
of the amount which the State agency makes available
out of its own funds for such services; provided that

the obligations of the allotment of Federal funds by the State shall not exceed the amount which the State Agency obligates out of its own funds for such service during any one fiscal year: Provided further that should duplication or overlapping work occur within the State or States cooperating subsequent to approval of a cooperative project or allotment of funds, unexpended balances on such projects may be withheld notwithstanding prior approval thereof.

STATE AGENCY.....

(a) Upon the approval of any project authorized under the terms of this agreement will make available out of its own funds for such service an amount at least equal to the sum ~~made~~ available by the Agricultural Marketing Service.

(b) Agrees that the funds made available pursuant to the terms of this agreement shall be in addition to any funds available prior to August 14, 1946 (or any funds now available for the same purpose) to the State agency for marketing service.

(c) Will be responsible for preventing duplication or overlapping of work covered by the approved project within the State, subject to the provisions of paragraph (b) of the responsibilities of the Agricultural Marketing Service. (See Page 1.)

(d) Will furnish such reports and records requested by the Administrator as shall include adequate information that State funds have been expended in accordance with the terms of the project specified.

(e) Will be accountable to the Administrator for all Federal funds made available under the terms of this agreement.

MUTUAL AGREEMENT.....

It is mutually understood and agreed that:

(a) The results of any work carried on under the terms of this agreement shall be made available to the public through dedication, assignment, or in such manner as the U. S. Department of Agriculture shall determine.

(b) No money made available under the terms of this agreement shall be used to pay for newspaper or periodical advertising space or radio time.

(c) In carrying out the purposes of this agreement, maximum use shall be made of existing facilities owned or controlled by the Federal or State authorities.

(d) Publication of information may be joint or independent, as may be mutually agreed upon, always giving credit to the cooperating party and recognizing within proper limits the rights of the individuals doing the work.

(e) Equipment acquired, as well as products resulting from expenditures of funds made available pursuant to this agreement will remain the property of the State agency, except in rare instances where major expenditures for equipment might be made. In such cases the project statements shall clearly establish the disposition intended for such equipment.

(f) No changes or amendments in any approved project shall be made without the approval of both parties to this agreement.

RULES AND REGULATIONS.. This agreement is subject to applicable rules and regulations as promulgated by the U. S. Department of Agriculture.

MEMBER OF CONGRESS..... No member of or delegate to Congress or Resident Commissioner after his election or appointment, and either before or after he has qualified and during his continuance in office; and no officer, agent, or employee of the Government shall be admitted to any share or part of this agreement or to any benefit to arise thereupon. The provision herein with respect to the interest of members of or delegates to Congress and Resident Commissioners in the agreement shall not be construed to extend to any incorporated company where such contract or agreement is made for the general benefit of such incorporation or company.

ABROGATION..... This agreement shall continue in force as long as Congress shall provide the necessary authority and appropriations therefor; provided, however, that this agreement may be abrogated at any time upon thirty days written notice given by the Administrator of the Agricultural Marketing Service to the cooperating party, and the cooperating party may withdraw from this agreement by giving written notice to the Agricultural Marketing Service thirty days in advance of withdrawal. Any unobligated funds of Federal origin remaining at the time the agreement is abrogated shall be returned to the U.S. Department of Agriculture.

Date

Date

FORM AMS-710
(3-18-57)U. S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
WASHINGTON 25, D. C.

1. PROJECT NO.

STATE PROGRAM PROJECT DESCRIPTION

SDA - Leave blank.

2. STATE AND AGENCY Give the name of the originating organization in full.

Example: Florida Department of Agriculture.

3. PROJECT TITLE

Indicate the nature and objective of proposed activities as concretely as possible. The title used alone or in a list should give a good indication of what the project is about. Example: Developing procedures for making both annual and quinquennial forecasts of citrus production in Florida.

4. FUNCTIONAL GROUP Use exact title of the parent functional group. (a) Maintaining and/or improving quality of agricultural products in marketing channels. (b) Expanding outlets for farm products. (c) Assisting marketing agencies in reducing costs and improving efficiency. (d) Collecting and disseminating marketing information.

5. PROJECT LEADER AND ADDRESS (City and State)

Insert the name and title of the person who will serve as point of contact on the project and the city and state in which he is located.

6. ESTIMATED DURATION

Estimate the number of years the project is expected to be conducted.

7. NEED FOR WORK AND JUSTIFICATION

State:

- (a) The problem this project is to solve.
(Such as specific instances of surplus, spoilage, inadequate marketing facilities, limited outlets, inefficient marketing methods and practices, lack of specialized market information, etc.)
- (b) The results expected to be obtained by the project. (Be brief and to the point.)
- (c) How this project will benefit farmers, marketing agencies or consumers. (Indicate specifically who will benefit by the project and how.)
- (d) The significant relationship between this project and the program activities of other agencies either within or outside your department. (The statement should indicate how the proposed work will supplement related program activities already completed or under way without undesirable duplication of effort.)

8. APPROVED:

(DATE)

(STATE DEPARTMENT OF AGRICULTURE)

(DATE)

(LIAISON, MATCHING FUND PROGRAM, STATE DEPARTMENTS OF AGRICULTURE)

FORM AMS-710

PROJECT NO. SDA - Leave blank.

9. PLAN OF WORK (*Use additional sheets if needed*)

The project plan should show specifically:

- (a) What will be done;
- (b) How it is anticipated that it will be done;
- (c) What commodities will be involved.

10. COOPERATION

Identify cooperators and indicate clearly the nature of their contributions. If cooperating agencies such as Experiment Stations, Extension Services, State Commissions, trade association, grain elevators, livestock auctions, etc., are participating in the work, show definitely what each agency will do. Example: State Plant Board of Florida will obtain the data, and Agricultural Estimates', AMS, personnel will compile the data. University of Florida Statistical Laboratory, Florida Citrus Commission, and Florida Citrus Mutual will assist in planning the project and will consult and advise when necessary.

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FORM AMS-712
(3-18-57)U. S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
WASHINGTON 25, D. C.

1. PROJECT NO.

STATE WORK PLAN AND FUND REQUEST

SDA -

2. STATE AND AGENCY

3. PROJECT TITLE

4. AMOUNT OF APPROVED BUDGET, CURRENT FISCAL YEAR: (Federal and State combined)

\$ _____

5. ESTIMATED COSTS: (Federal and State)

ITEM	ESTIMATED EXPENDITURES	PROPOSED BUDGET
	Current Fiscal Year 19 _____	Next Fiscal Year 19 _____
Personal services	\$ _____	\$ _____
Travel	_____	_____
Equipment	_____	_____
All other	_____	_____
TOTAL	_____	_____
6. ESTIMATED CARRYOVER FUNDS FROM CURRENT YEAR:	(a) Federal	(b) State
	\$ _____	\$ _____
7. ESTIMATE OF NEW FUNDS REQUIRED FOR FISCAL YEAR BEGINNING:	(a) Federal	(b) State
	_____, 19 _____ \$ _____	\$ _____

8. EXPLAIN ANY UNUSUAL OR LARGE ITEMS OF COST, SUCH AS TRAVEL, EQUIPMENT, ETC., FOR THE NEXT FISCAL YEAR:

(DATE)

(STATE DEPARTMENT OF AGRICULTURE)

9. GIVE A COMPLETE OUTLINE OF YOUR PLANS FOR THIS PROJECT FOR THE NEXT FISCAL YEAR, USING ADDITIONAL SHEETS IF NEEDED

10. JUSTIFICATION OF ANY INCREASE IN FUNDS REQUESTED

11. PROJECT TERMINATED:

(a) Date:

(b) Reasons:

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
WASHINGTON 25, D. C.

CERTIFICATION OF AVAILABILITY OF MATCHED FUNDS

Liaison Officer, Matching Fund Program
State Departments of Agriculture
Agricultural Marketing Service
U. S. Department of Agriculture
Washington 25, D. C.

Sir:

The undersigned official, having been designated by the State of _____
as having such accounting control as warrants making this certificate, certifies that the sum of
\$ _____ is available for use in marketing service work as an offset in accordance with the
provisions of the Agricultural Marketing Act of 1946, as amended, to an equal amount of Federal funds
allotted to the State under said Act for the fiscal year ending June 30, 19____.

It is hereby certified that the above funds are in addition to funds available prior to August 14, 1946,
to the _____
(STATE AGENCY)
for marketing service work, and that so
much of such funds as are necessary to equal the total Federal funds made available will not be with-
drawn or transferred for any other purpose.

(SIGNATURE)

(DATE)

(TITLE)

- 23 -

FORM AMS-711
(3-18-57)U. S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
WASHINGTON 25, D. C.

1. PROJECT NO.

FINAL FINANCIAL REPORT AND BUDGET REQUEST

SDA -

2. STATE AND AGENCY

3. PROJECT TITLE

4. AVAILABLE FUNDS FOR FISCAL YEAR JUST COMPLETED:

Federal \$		State \$		Total \$
5. COSTS	ACTUAL EXPENDITURES			BUDGET
ITEM	Fiscal Year 19____			Fiscal Year 19____
	FEDERAL	STATE	TOTAL	FEDERAL AND STATE
Personal services	\$	\$	\$	\$
Travel				
Equipment				
All other				
TOTAL				

6. CARRYOVER, PAST FISCAL YEAR:	(a) Federal	(b) State
	\$	\$
7. ESTIMATE OF NEW FUNDS REQUIRED FOR FISCAL YEAR BEGINNING:	(a) Federal	(b) State
	\$	\$

8. APPROVED:

(DATE)

(STATE DEPARTMENT OF AGRICULTURE)

(DATE)

(LIAISON, MATCHING FUND PROGRAM, STATE DEPARTMENTS OF AGRICULTURE)

March 18, 1949
Revised October 9, 1954

RECOMMENDED RELATIONSHIPS AMONG STATE AGENCIES
CONDUCTING MARKETING PROGRAMS
UNDER MATCHING PROVISIONS OF SECTION 204 (b) OF TITLE II
RESEARCH AND MARKETING ACT OF 1946

Title II of the Research and Marketing Act of 1946 authorizes funds for carrying on research, educational and service work in marketing. Under the matching provisions of Sec. 204 (b) programs are conducted by the cooperative State Extension Services; State Experiment Stations; State Departments of Agriculture and Bureaus of Markets. The Act provides that each agency should carry on those types of work, whether research, education, or service, that they normally carry on and which experience best qualifies them to do. It also specifies that appropriate provisions be made for preventing duplication. Since there are no clear and sharp lines of demarcation between research, education, and service work, it follows that there will arise questions of relationships between the various agencies, and possibly questions as to where a participating agency should concentrate its efforts and how far it should go in a given direction.

Successful cooperation among agencies depends upon the recognition by each of the problems to be solved, and planning together for the solution. Understanding between agencies can be facilitated through conferences and discussions that indicate and evaluate the pertinent resources of each.

Agency Responsibility

Under the Research and Marketing Act of 1946 (Title II, Section 202, Public Law 733) the State Departments of Agriculture* have authority and responsibility for developing a program including information and service work. Such services relate to assembling, grading, packing, packaging, preparing, processing, handling, storing, transportation, selling, pricing, merchandising and distribution. Cooperation with the United States Department of Agriculture will be in accordance with established practices and procedures.

The Extension Service has the authority and responsibility of developing and carrying on an educational and demonstrational program with growers, handlers,

*The term State Departments of Agriculture includes whatever State agency is designated by law to perform marketing service and regulatory work.

and consumers. Such programs include educational and demonstrational work in connection with assembling, grading, packing, packaging, processing, handling, storing, transportation, selling, pricing, merchandising, distribution and consumer education. In marketing, the job of the Extension Service is to organize and conduct educational and demonstrational work. Extension programs provide information which helps individuals and groups to reason through marketing problems and make more intelligent decisions regarding action to be taken. They also help people learn by doing and encourage them to put into practice improvements in marketing that are economically sound.

The Experiment Stations are charged with the responsibility of carrying on research in connection with agricultural and related problems. Such programs include research work in connection with assembling, grading, packing, packaging, preparing, processing, handling, storing, transportation, selling, pricing, merchandising, distribution and consumer behavior. It is the job of the Experiment Stations to discover facts and establish principles that can be used by the Extension Services and the State Departments of Agriculture in helping to improve the health, increase the wealth, and make it possible for our people to have a richer and more satisfying life. Service, educational, and research work should be defined in terms of type of work to be performed rather than in terms of groups of people to be contacted or assisted.

An Integrated Program

The State Department, Extension Service and Experiment Station in each State are interdependent and must work closely together if the marketing program of each is to be successful. A continuing stream of facts concerning old and new problems is needed as a basis for educational and service programs. Conversely, until the results of research are made available in a readily understandable form and until they are incorporated into available services and into beneficial regulations, they are of little value. The situations encountered by those engaged in educational and service work need to be referred to research workers so that their efforts can be directed toward the solution of the most pressing problems.

The solution of a marketing problem should develop logically from basic research, to applied or pilot plant research, to problem surveys, to regular collection of current data, to demonstrations, to educational programs and to service work including inspection, standardization, and regulation. While basic and applied research are generally conceived as the field of the Experiment Station; while the regular collection of data, service work, inspection, standardization, and regulation are generally conceived as the field of the State Department of Agriculture; and while demonstrations and educational work are generally conceived as the field of the Extension Service; these areas merge at several points. Co-operative planning and regular exchange of information regarding work in the "middle zones" is essential to an integrated program. In the "middle zones" the work might be carried out jointly by personnel from two or all three of the agencies, or by one of the agencies with concurrence of the others.

There is need of establishing and maintaining good working relationships with producers, members of the trade, and consumers. In the case of a given project, if the workers concerned will work together and the worker who has best personal relationships with the group involved will make the initial contact, regardless of the agency with which he is associated, progress will usually be facilitated.

Recommended Procedures to Achieve Coordination

The three marketing advisory committees representing State Experiment Stations, Extension Services, and Departments of Agriculture recommend that: Extension and Research proposals be coordinated at the land grant college level and that State Departments and Extension Services and Experiment Stations provide one another with copies of project proposals for information purposes before they are submitted to the U. S. Department of Agriculture.

When the respective federal agencies receive project proposals from a State that have not been sent to the other agencies in the State, the federal agency shall be responsible for seeing that the other agencies in the State receive a copy for their information.

In the case of any proposed project under Title II of the Act that falls in one of the "middle zones" or that contemplates cooperation with either or both of the other agencies:

1. Representatives from the other State agency or agencies should be invited to participate in the planning and outlining of the project.
2. There should be periodic conferences of the workers directly responsible for the project with these representatives to review the progress being made on the project and suggest any changes that might seem desirable.
3. These representatives should present to the workers directly responsible for the project, problems encountered by them or their colleagues and the reactions of people in the field that indicate the need for additional or different work, or the need for changes in the present work.
4. It should be the responsibility of the head of the State agency submitting such a project to the U. S. Department of Agriculture to submit evidence that the project has been discussed with the other agency, or agencies, involved and has their concurrence. In reviewing projects, the responsible department agency will be expected to examine them for integration. If there is reason to believe that another agency or agencies have a direct and vital interest in the project, it should not be approved until there is evidence of the concurrence of the other agency or agencies.

5. Each State agency in reporting on work done and results achieved should indicate the cooperative nature of the work, its relationship to other work and the part of other agencies in carrying out the program.

It is further recommended that there be established in each State a mechanism for joint planning and cooperation. This can be informal or can be in the nature of an organized committee or council on which each of the three agencies is represented by a person in whom much of the responsibility for program approval is placed. Where it is thought advisable by such a committee, other agencies directly affected by the program of work or such agencies as might contribute to the success of a marketing program might be invited to serve in an advisory capacity.

Approved by:

Committee Representing State Departments of Agriculture and Bureaus of Markets

L. Y. Ballentine, Commissioner, North Carolina Department of Agriculture, Raleigh, N. C. (Chairman) 1/

George H. Chick, Chief, Division of Markets, Maine Department of Agriculture, Augusta, Maine.

C. J. Carey, Chief of Division of Markets, California Department of Agriculture, Sacramento, California.

Roy Freeland, Secretary, Kansas State Board of Agriculture, State House, Topeka, Kansas.

D. N. McDowell, Director, Wisconsin State Department of Agriculture, Madison, Wisconsin.

Committee Representing State Extension Services

L. A. Bevan, Director of Extension Service, University of New Hampshire, Durham, New Hampshire (Chairman)

A. W. Jones, Marketing Specialist, Agricultural Extension Service, Alabama Polytechnic Institute, Auburn, Alabama.

D. B. Varner, Assistant Dean and Director, Extension Service, East Lansing, Michigan. 2/

Eva L. Goble, State Extension Leader of Home Demonstration Work, Purdue University, Lafayette, Indiana.

Committee Representing State Extension Services (continued)

P. E. Nystrom, Head, Department of Agricultural Economics and Marketing, University of Maryland, College Park, Maryland.

G. A. Carpenter, Assistant Director of Extension Service, Utah State Agricultural College, Logan, Utah. 1/

Committee Representing State Experiment Stations

P. S. Eckert, Dean and Director, Agricultural Experiment Station, Tucson, Arizona.

Helen G. Canoyer, Dean, College of Home Economics and Professor, Home Economics, Agricultural Experiment Station of Cornell University, Ithaca, New York. 2/

R. K. Froker, Dean and Director, Agricultural Experiment Station, University of Wisconsin, Madison, Wisconsin.

G. F. Dow, Associate Director, Agricultural Experiment Station, University of Maine, Orono, Maine

F. J. Welch, Dean and Director, Agricultural Experiment Station, University of Kentucky, Lexington, Kentucky. (Chairman)

1/ Unable to attend the Oct. 9, 1954 meeting.

2/ Represented by R. C. Kramer, Associate Professor, Agricultural Economics, Michigan State College, East Lansing, Michigan.

3/ Represented by Mabel Rollins, Professor and Head of Department of Economics of the Household and Household Management, Cornell University, Ithaca, New York.

AGRICULTURAL MARKETING ACT OF 1946

Public Law 733--79th Congress
Chapter 966-2nd Session
H.R. 6932

An Act

To provide for further research into basic laws and principles relating to agriculture and to improve and facilitate the marketing and distribution of agricultural products.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

[Title I of the Act deals with research and extension work.]

TITLE II

This title may be cited as the "Agricultural Marketing Act of 1946."

SEC. 202. The Congress hereby declares that a sound, efficient, and privately operated system for distributing and marketing agricultural products is essential to a prosperous agriculture and is indispensable to the maintenance of full employment and to the welfare, prosperity, and health of the Nation. It is further declared to be the policy of Congress to promote through research, study, experimentation, and through cooperation among Federal and State agencies, farm organizations, and private industry a scientific approach to the problems of marketing, transportation, and distribution of agricultural products similar to the scientific methods which have been utilized so successfully during the past eighty-four years in connection with the production of agricultural products so that such products capable of being produced in abundance may be marketed in an orderly manner and efficiently distributed. In order to attain these objectives, it is the intent of Congress to provide for (1) continuous research to improve the marketing, handling, storage, processing, transportation, and distribution of agricultural products; (2) cooperation among Federal and State agencies, producers, industry organizations, and others in the development and effectuation of research and marketing programs to improve the distribution processes; (3) an integrated administration of all laws enacted by Congress to aid the distribution of agricultural products through research, market aids and services, and regulatory activities, to the end that marketing methods and facilities may be improved, that distribution costs may be reduced and the price spread between the producer and consumer may be narrowed, that dietary and nutritional standards may be improved, that new and wider markets for American agricultural products may be developed, both in the United States and in other countries, with a view to

making it possible for the full production of American farms to be disposed of usefully, economically, profitably, and in an orderly manner. In effectuating the purposes of this title, maximum use shall be made of existing research facilities owned or controlled by the Federal Government or by State agricultural experiment stations and of the facilities of the Federal and State extension services. To the maximum extent practicable marketing research work done hereunder in cooperation with the States shall be done in cooperation with the State agricultural experiment stations; marketing educational and demonstrational work done hereunder in cooperation with the States shall be done in cooperation with the State agricultural extension service; market information, inspection, regulatory work and other marketing service done hereunder in cooperation with the State agencies shall be done in cooperation with the State departments of agriculture, and State bureaus and departments of markets.

SEC. 203. The Secretary of Agriculture is directed and authorized:

(a) To conduct, assist, and foster research, investigation, and experimentation to determine the best methods of processing, preparation for market, packaging, handling, transporting, storing, distributing, and marketing agricultural products: Provided, That the results of such research shall be made available to the public for the purpose of expanding the use of American agricultural products in such manner as the Secretary of Agriculture may determine.

(b) To determine costs of marketing agricultural products in their various forms and through the various channels and to foster and assist in the development and establishment of more efficient marketing methods (including analyses of methods and proposed methods), practices, and facilities, for the purpose of bringing about more efficient and orderly marketing, and reducing the price spread between the producer and the consumer.

(c) To develop and improve standards of quality, condition, quantity, grade, and packaging, and recommend and demonstrate such standards in order to encourage uniformity and consistency in commercial practices.

(d) To conduct, assist, foster, and direct studies and informational programs designed to eliminate artificial barriers to the free movement of agricultural products.

(e) To foster and assist in the development of new or expanded markets (domestic and foreign) and new and expanded uses and in the moving of larger quantities of agricultural products through the private marketing system to consumers in the United States and abroad.

(f) To conduct and cooperate in consumer education for the more effective utilization and greater consumption of agricultural products: Provided, That no money appropriated under the authority of this Act shall be used to pay for newspaper or periodical advertising space or radio time in carrying out the purposes of this section and section 203 (e).

(g) To collect and disseminate marketing information, including adequate outlook information on a market-area basis, for the purpose of anticipating and meeting consumer requirements, aiding in the maintenance of farm income, and bringing about a balance between production and utilization of agricultural products.

(h) To inspect, certify, and identify the class, quality, quantity, and condition of agricultural products when shipped or received in interstate commerce, under such rules and regulations as the Secretary of Agriculture may prescribe, including assessment and collection of such fees as will be reasonable and as nearly as may be to cover the cost of the service rendered, to the end that agricultural products may be marketed to the best advantage, that trading may be facilitated, and that consumers may be able to obtain the quality product which they desire, except that no person shall be required to use the service authorized by this subsection. Any official certificate issued under the authority of this subsection shall be received by all officers and all courts of the United States as prima facie evidence of the truth of the statements therein contained.

(i) To determine the needs and develop or assist in the development of plans for efficient facilities and methods of operating such facilities for the proper assembly, processing, transportation, storage, distribution, and handling of agricultural products.

(j) To assist in improving transportation services and facilities and in obtaining equitable and reasonable transportation rates and services and adequate transportation facilities for agricultural products and farm supplies by making complaint or petition to the Interstate Commerce Commission, the Maritime Commission, the Civil Aeronautics Board, or other Federal or State transportation regulatory body with respect to rates, charges, tariffs, practices, and services, or by working directly with individual carriers or groups of carriers.

(k) To collect, tabulate, and disseminate statistics on marketing agricultural products, including, but not restricted to statistics on market supplies, storage stocks, quantity, quality, and condition of such products in various positions in the marketing channel, utilization of such products and shipments and unloads thereof.

(l) To develop and promulgate, for the use and at the request of any Federal agency or State, procurement standards and specifications for agricultural products, and submit such standards and specifications to such agency or State for use or adoption for procurement purposes.

(m) To conduct, assist, encourage, and promote research, investigation, and experimentation to determine the most efficient and practical means, methods, and processes for the handling, storing, preserving, protecting, processing, and distributing of agricultural commodities to the end that such

commodities may be marketed in an orderly manner and to the best interest of the producers thereof.

(n) To conduct such other research and services and to perform such other activities as will facilitate the marketing, distribution, processing, and utilization of agricultural products through commercial channels.

SEC. 204. (a) In order to conduct research and service work in connection with the preparation for market, processing, packaging, handling, storing, transporting, distributing, and marketing of agricultural products as authorized by this title, there is hereby authorized to be appropriated the following sums:

- (1) \$2,500,000 for the fiscal year ending June 30, 1947, and each subsequent fiscal year.
- (2) An additional \$2,500,000 for the fiscal year ending June 30, 1948, and each subsequent fiscal year.
- (3) An additional \$5,000,000 for the fiscal year ending June 30, 1949, and each subsequent fiscal year.
- (4) An additional \$5,000,000 for the fiscal year ending June 30, 1950, and each subsequent fiscal year.
- (5) An additional \$5,000,000 for the fiscal year ending June 30, 1951, and each subsequent fiscal year.
- (6) In addition to the foregoing, such additional funds beginning with the fiscal year ending June 30, 1952, and thereafter, as the Congress may deem necessary.

Such sums appropriated in pursuance of this title shall be in addition to, and not in substitution for sums appropriated or otherwise made available to the Department of Agriculture.

(b) The Secretary of Agriculture is authorized to make available from such funds such sums as he may deem appropriate for allotment to State departments of agriculture, State bureaus and departments of markets, State agricultural experiment stations, and other appropriate State agencies for co-operative projects in marketing service and in marketing research to effectuate the purposes of title II of this Act: Provided, That no such allotment and no payment under any such allotment shall be made for any fiscal year to any State agency in excess of the amount which such State agency makes available out of its own funds for such research. The funds which State agencies are required to make available in order to qualify for such an allotment shall be in addition to any funds now available to such agencies for marketing services and for marketing research. The allotments authorized

under this section shall be made to the agency or agencies best equipped and qualified to conduct the specific project to be undertaken. Such allotments shall be covered by cooperative agreements between the Secretary of Agriculture and the cooperating agency and shall include appropriate provisions for preventing duplication or overlapping of work within the State or States cooperating. Should duplication or overlapping occur subsequent to approval of a cooperative project or allotment of funds, the Secretary of Agriculture is authorized and directed to withhold unexpended balances on such projects notwithstanding the prior approval thereof.

SEC. 205. (a) In carrying out the provisions of title II of this Act, the Secretary of Agriculture may cooperate with other branches of the Government, State agencies, private research organizations, purchasing and consuming organizations, boards of trade, chambers of commerce, other associations of business or trade organizations, transportation and storage agencies and organizations, or other persons or corporations engaged in the production, transportation, storing, processing, marketing, and distribution of agricultural products whether operating in one or more jurisdictions. The Secretary of Agriculture shall have authority to enter into contracts and agreements under the terms of regulations promulgated by him with States and agencies of States, private firms, institutions, and individuals for the purpose of conducting research and service work, making and compiling reports and surveys, and carrying out other functions relating thereto when in his judgment the services or functions to be performed will be carried out more effectively, more rapidly, or at less cost than if performed by the Department of Agriculture. Contracts hereunder may be made for work to be performed within a period not more than four years from the date of any such contract, and advance, progress, or other payments may be made. The provisions of section 3648 (31 U.S.C., sec. 529) and section 3709 (41 U.S.C., sec. 5) of the Revised Statutes shall not be applicable to contracts or agreements made under the authority of this section. Any unexpended balances of appropriations obligated by contracts as authorized by this section may, notwithstanding the provisions of section 5 of the Act of June 20, 1874, as amended (31 U.S.C., sec. 713), remain upon the books of the Treasury for not more than five fiscal years before being carried to the surplus fund and covered into the Treasury. Any contract made pursuant to this section shall contain requirements making the result of such research and investigations available to the public by such means as the Secretary of Agriculture shall determine.

(b) The Secretary of Agriculture shall promulgate such orders, rules, and regulations as he deems necessary to carry out the provisions of this title. In his annual report to Congress, he shall include a complete statement of research work being performed under contracts or cooperative agreements under this title, showing the names of the agencies cooperating and the amounts expended thereon, segregated by Federal and non-Federal funds.

SEC. 206. In order to facilitate administration and to increase the effectiveness of the marketing research, service, and regulatory work of the

Department of Agriculture to the fullest extent practicable, the Secretary of Agriculture is authorized, notwithstanding any other provisions of law, to transfer, group, coordinate, and consolidate the functions, powers, duties, and authorities of each and every agency, division, bureau, service, section, or other administrative unit in the Department of Agriculture primarily concerned with research, service, or regulatory activities in connection with the marketing, transportation, storage, processing, distribution of, or service or regulatory activities in connection with, the utilization of, agricultural products, into a single administrative agency. In making such changes as may be necessary to carry out effectively the purposes of this title, the records, property, personnel, and funds of such agencies, divisions, bureaus, services, sections, or other administrative units in the Department of Agriculture affected thereby are authorized to be transferred to and used by such administrative agency to which the transfer may be made, but such unexpended balances of appropriations so transferred shall be used only for the purposes for which such appropriations were made.

SEC. 207. When used in this title, the term "agricultural products" includes agricultural, horticultural, viticultural, and dairy products, live-stock and poultry, bees, forest products, fish and shellfish, and any products thereof, including processed and manufactured products, and any and all products raised or produced on farms and any processed or manufactured product thereof.

SEC. 208. The Secretary of Agriculture shall have the power to appoint, remove, and fix, in accordance with existing law, the compensation of such officers and employees, and to make such expenditures as he deems necessary, including expenditures for rent outside the District of Columbia, travel, supplies, books, equipment, and such other expenditures as may be necessary to the administration of this title: Provided, That the Secretary of Agriculture may appoint and fix the compensation of any technically qualified person, firm, or organization by contract or otherwise on a temporary basis and for a term not to exceed six months in any fiscal year to perform research, inspection, classification, technical, or other special services, without regard to the civil-service laws or the Classification Act of 1923, as amended.

TITLE III

SEC. 301. In order to aid in implementing the research and service work authorized under titles I and II of this Act, and to assist in obtaining the fullest cooperation among Federal and State agencies, producers, farm organizations, and private industry, in the development of and in effectuating such research and service programs, and in order to secure the greatest benefit from the expenditure of funds, the Secretary of Agriculture shall establish a national advisory committee. The functions of such advisory committee shall be to consult with the Secretary of Agriculture and other appropriate officials of the Department of Agriculture, to make recommendations relative to research

and service work authorized by this Act, and to assist in obtaining the cooperation of producers, farm organizations, industry groups, and Federal and State agencies in the furtherance of such research and service programs. The chairman of the committee shall be the Secretary of Agriculture or such other official of the Department of Agriculture as he shall designate. The committee shall consist of eleven members, six of whom shall be representatives of producers or their organizations. The committee shall meet at least once each quarter and at such other times as are deemed necessary. Members of the committee may not appoint alternates to serve in their stead. Committee members other than the chairman shall not be deemed to be employees of the United States and are not entitled to compensation, but the Secretary of Agriculture is authorized to allow their traveling and subsistence expenses necessary in connection with their attendance at meetings called by him for the purposes of this section.

SEC. 302. In the furtherance of the research and service work authorized by this Act, the Secretary of Agriculture may, in addition to the national advisory committee, establish appropriate committees, including representatives of producers, industry, government, and science, to assist in effectuating specific research and service programs.

Approved August 14, 1946.

